

Chapter 14 – Political Party Committees

This chapter reviews additional rules and obligations required of political party committees, including county central committees. Information is organized by chapter references.

Chapter 1. What is a General Purpose Committee?

Pursuant to the Political Reform Act, a political party committee is considered a state general purpose committee. (Government Code Section 82027.5.) A “political party committee” is defined as the state central committee or the county central committee of an organization that meets the requirements as a political party pursuant to Elections Code Section 5100. (Government Code Section 85205.) The Political Reform Act does not include provisions governing the structure and internal bylaws of central committees.

Local party clubs are not considered political parties, but will often qualify as general purpose committees. County central committees and local party clubs will qualify as a committee under the Act if they receive \$1,000 in contributions in a calendar year for political purposes. Political purposes include making contributions to state and local candidates and ballot measures, making independent expenditures for state and local candidates and ballot measures, and doing partisan voter registration or get out the vote drives.

Chapter 2. Statement of Organization (Form 410).

All political party committees are state general purpose committees. The Secretary of State is the filing officer for FPPC campaign reports other than the Form 462 (Verification of Independent Expenditures), which is filed with the FPPC.

A political party committee may not qualify as a sponsored committee. Like other general purpose committees, political party committees must list the committee treasurer and principal officer(s) and must ensure that the list is current.

A political party committee is not required, like other general purpose committees, to review its expenditures on a quarterly basis to determine if the committee should be filing reports with a local filing officer. A political party committee always files with the Secretary of State as a state general purpose committee.

Chapter 3. Finance Rules.

A political party committee is subject to the same recordkeeping and finance rules as other committees, including the requirement to maintain records of campaign receipts and expenditures, along with the necessary documentation.

Chapter 4. Contributions.

The information in this chapter regarding the definition of a contribution, including the reporting rules and valuing nonmonetary contributions, applies to a political party committee in the same manner as other general purpose committees.

Member Communications Exception: Although a member communication does not result in a contribution or independent expenditure for the affected candidate or measure, a political party committee must report payments for member communications in the same manner as if a contribution or independent expenditure was made. For example, a political party committee

that sends a postcard to its members, which expressly advocates support of a candidate and is sent the week before the election, must report the payment for the member communication within 24 hours on either the Form 496 or Form 497.

Chapter 5. State Contribution Limits.

Receiving contributions

A political party committee is subject to a contribution limit for contributions deposited into an account that is used to make contributions to state candidates. State political parties and county central committees are subject to the \$34,000 per contributor limits, while local clubs are subject to the \$6,800 per contributor limit (2013 – 2014 limits). See the contribution limit charts in Chapter 5.

A political party committee that receives contributions in excess of the contribution limits must establish an “all purpose” account and a “restricted use” account. Contributions that exceed the contribution limit may not be deposited into the “all purpose” account. A political party may establish separate committees or have one committee with separate bank accounts. The chapter includes a chart describing the expenditures that must be made from the “all purpose” account.

Making contributions

State Candidate Election Committees: A political party committee may make unlimited contributions to the “election committee” designated for a state candidate. The party must make the contributions from the committee/account described above that is subject to the contribution limit. A political party committee may not make a contribution to an election committee after the election unless the committee has net debt.

State Officeholder Committees: A political party committee may not make a contribution that exceeds the limit imposed on state officeholder committees.

Local Committees: A political party committee may make a contribution to a local committee. Check the local ordinance, if any, for contribution restrictions.

Chapter 6. Contribution Restrictions.

A political party committee is subject to the restrictions outlined in Chapter 6.

Although a political party committee is not limited in the amount of contributions the party may make on behalf of a state candidate, the party must be aware that Government Code Section 85704 prohibits a person from making a contribution to the party committee on the condition or with the agreement that it will be contributed to any particular candidate without disclosing the contributor as the true source of the contribution and the party as an intermediary. Treasurers should establish clear accounting and internal guidelines to ensure proper reporting of all payments.

Chapter 7. Use of Campaign Funds.

A political party committee may use campaign funds for a political, legislative or governmental purpose, as outlined in the chapter. A common question is whether a political party committee may provide office space to candidates, which is permissible. The service is a nonmonetary contribution that must be reported by both the party committee and the candidate.

Chapter 8. Communications.

A political party committee is subject to the same rules regarding communications as other general purpose committees, with the exception of member communications. The reporting requirements for a political party related to member communications are discussed in detail in Chapter 8.

Chapter 9. Advertisement Disclaimers.

A political party committee is subject to the same advertisement disclaimer requirements as other general purpose committees.

Chapter 10. 24-Hour Contribution Reports (Form 497).

The Act requires a political party committee to file immediate reports disclosing money received and spent in elections. The report, Form 497, is due within 24 hours and is filed with the Secretary of State. No paper copies of this report are required and no copies are required to be filed with other filing officers.

Each political party committee should have a copy of the filing schedules created specifically for political party committees. A political party committee must file reports in connection with any state election, including a state special election. A political party committee must file a Form 497 within 24 hours of the following payments:

- Contributions that total in the aggregate \$1,000 or more received by a state or county political party committee within 90 days before any state election.
- Contributions that total in the aggregate \$1,000 or more made to a candidate, officeholder, or ballot measure committee within 90 days before the election.
- Contributions that total in the aggregate \$1,000 or more made to a candidate in a CalPERS or CalSTRS election within 90 days before the election.

A political party committee must file a Form 497 within 10 business days for the following payments:

- Contributions that total \$5,000 or more made to support or oppose a single state ballot measure. This report must also disclose donors who have not previously been reported on a campaign statement. This report is only required if the political party committee must file its reports electronically with the Secretary of State.

A political party committee must complete the Form 497 as provided in the form instructions. .

Chapter 11. Independent Expenditures.

A political party committee that makes an independent expenditure of \$1,000 or more must file the reporting forms summarized in the chapter. A political party committee does not qualify for event-based reporting. A political party committee must file reports reviewed in the chapter if the communication is a member communication.

Chapter 12. Campaign Disclosure Statement, Form 460.

A political party committee must have a treasurer or assistant treasurer review and sign the Form 460. A political party committee is subject to the same reporting rules as other general purpose committees as well as the additional rules described below.

Member Communications: Report payments for member communications on Schedule E or F, as appropriate. A committee does not report the payments on Schedule D. A member communication may be paid by either the all purpose account or the restricted account. (See Chapter 5.)

A political party committee is subject to the reporting requirements as outlined in FPPC Regulation 18530.3. The rules are summarized below, but political party committees should review the entire regulation.

Federal Levin Funds. A political party committee must report Levin Funds that are used for the purpose of supporting or defeating any state or local candidate or ballot measure.

FEC Committees. A political party committee must report expenditures made for the purpose of supporting or defeating any state or local candidate or ballot measure on the Form 460 and include a description of the account(s) from which the expenditure was made. The report is not required to itemize donations that were made to the FEC committee.

Chapter 13. When and Where to File the Form 460.

All political party committees are state committees and file the Form 460 with the Secretary of State.

A political party committee must file preelection statements in connection with any state election, including a state special election, if the committee receives contributions of \$1,000 or more or makes contributions or independent expenditures of \$500 or more during the applicable reporting period. This includes state elections held in both even and odd-numbered years.

Political party committee treasurers should sign up for the FPPC Filing Schedule mailing list so they are notified when the filing schedules are updated on the FPPC website.

AUTHORITY

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Codes Sections

85205	<i>Political Party Committee</i>
85301	<i>Limits on Contributions from Persons.</i>
88303	<i>Limits on Contributions to Committees and Political Parties</i>
85312	<i>Communications to Members of an Organization</i>
85704	<i>Prohibition on Earmarking</i>

Title 2 Regulation

18530.5	<i>Reporting of Specified Contributions and Expenditures by Political Party Committees</i>
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